

Senate Engrossed

State of Arizona  
Senate  
Forty-fifth Legislature  
Second Regular Session  
2002

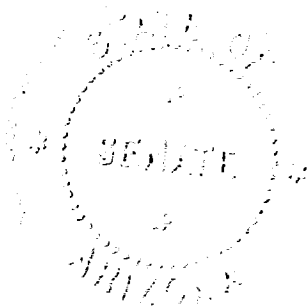
CHAPTER 97

## SENATE BILL 1058

AN ACT

AMENDING SECTION 37-803, ARIZONA REVISED STATUTES; RELATING TO PROPERTY OF  
STATE AGENCIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 37-803, Arizona Revised Statutes, is amended to  
3 read:

4 37-803. Disposition of real property by state agency

5 A. Unless another procedure is prescribed by law, the director or  
6 other chief administrative officer of a state agency may dispose of real  
7 property or any right, title or interest in real property as prescribed by  
8 this section if the agency director determines that the real property is no  
9 longer needed or used for public purposes by that agency.

10 B. Unless the property is subject to a right of reversion to a  
11 previous owner or the previous owner's successors in interest:

12 1. The agency director may convey the real property to an agency of  
13 the federal government, to another agency of this state or to any county,  
14 municipality, SCHOOL DISTRICT or other political subdivision of this state  
15 OR CHARTER SCHOOL IN THIS STATE without the necessity of a public sale if the  
16 agency director considers the conveyance to be in the public interest and if  
17 the real property will be used for a specific purpose in the public interest.  
18 The transferee agency shall pay the transferor agency for such a conveyance  
19 based on ~~a current~~ AN appraisal PREPARED WITHIN THE LAST ONE HUNDRED EIGHTY  
20 DAYS BY A CERTIFIED REAL ESTATE APPRAISER establishing the fair market value  
21 of the property to be conveyed.

22 2. The agency director may convey other marketable property to the  
23 highest and most responsible bidder at a public auction or by direct sale or  
24 exchange after at least thirty days' notice in a newspaper of general  
25 circulation in the county in which the property is located. At least two  
26 independent appraisals are required for property that is offered and the  
27 property shall not be offered or conveyed for less than or the amount of the  
28 low appraisal. All purchase offers are public and any person may submit a  
29 subsequent offer that matches or exceeds a previous purchase offer.

30 C. The sale shall be for cash or on terms of not less than twenty per  
31 cent down payment with the balance payable in annual amortized installments  
32 for ten years, the unpaid balance to bear interest at a rate determined by  
33 the agency director.

34 D. The agency director may execute all deeds or conveyances necessary  
35 to convey any real property or interest in the real property to be conveyed  
36 under this section and may assess a fee for the costs of preparing and  
37 executing any conveyance under this section. The agency director may insert  
38 in any deed or conveyance such conditions, covenants, exceptions and  
39 reservations as the agency director considers to be in the public interest  
40 of ~~may convey~~ in fee simple absolute.

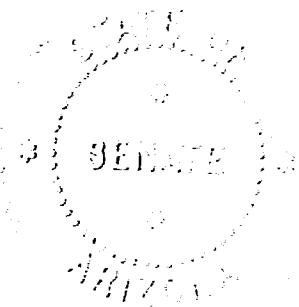
41 E. A conclusive presumption exists in favor of any purchaser for value  
42 and without notice of any real property or interest in the real property  
43 conveyed pursuant to this section that the agency acted within its lawful  
44 authority in acquiring the property and that the agency director acted under

1 lawful authority in executing any deed, conveyance or lease authorized by  
2 this section.

3 F. The agency may adopt rules for using licensed real estate brokers  
4 to assist in any disposition of property under this section. The agency  
5 director may pay a commission, from proceeds received under this section, to  
6 a broker who provides the purchaser unless the broker is the purchaser or  
7 lessee or the purchaser is another governmental agency.

APPROVED BY THE GOVERNOR APRIL 29, 2002.

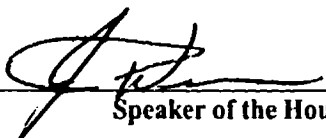
FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 30, 2002.

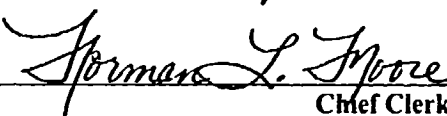


Passed the House April 23, 2002

by the following vote: 53 Ayes,

0 Nays, 7 Not Voting

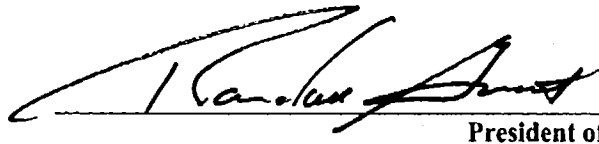
  
Speaker of the House

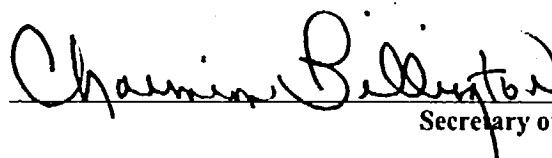
  
Chief Clerk of the House

Passed the Senate February 11, 2002

by the following vote: 26 Ayes,

1 Nays, 3 Not Voting

  
President of the Senate

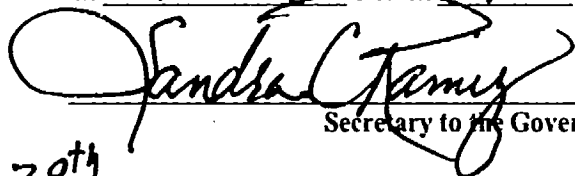
  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

24 day of April, 2002

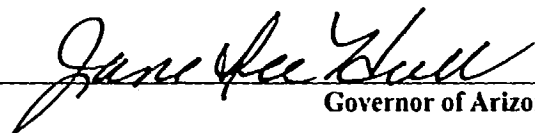
at 12:14 o'clock P M.

  
Secretary to the Governor

Approved this 29<sup>th</sup> day of

April, 2002,

at 1:59 o'clock P M.

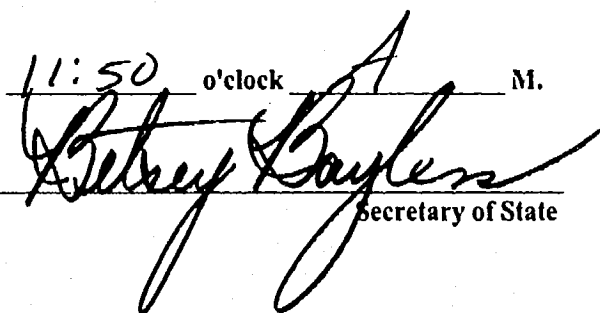
  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 30 day of April, 2002,

at 11:50 o'clock A M.

  
Secretary of State

S.B. 1058